

DSR

DEER SPRINGS RANCH MANAGEMENT MEETING

December 15, 1979

A meeting beginning at 1:00 p.m. was attended by Art Tisdall, Mark Tisdall, Dale Clarkson and Val Cram. The following business was discussed:

- (1) The attached schedules were reviewed and discussed as a summary to development activities during 1979. Along with these schedules, the group discussed the impact of the national economy on sales, credit and long term paper. Two or three good suggestions were considered:
  - a. Push hard to sell the balance within the next twelve months. Get all the cash possible and not worry about inflation's impact upon the deterioration of contract receivables.
  - b. Sell only for cash or on short term receivable which might stretch the sales program over a three year period.
  - c. Attempt to borrow \$600,000.00 to parallel the volume of our receivable contracts.
  - d. Attempt to get no interest state funds to cover required development expenses and otherwise restrict future expenses.
  
- (2) In the projections for 1980 the following were discussed:
  - a. Literature. Present items used are satisfactory, however, a colored brochure should be developed in 1980 if at all possible.
  - b. Advertising. We should do more advertising to try and get a higher volume of sales in 1980.
  - c. Personnel. Linda Little will need to be replaced in January. Val Cram is to take over as general manager on January 1, 1980 if details can be worked out so we are not in violation of IRS requirements. The best possibility under consideration is for Val to incorporate a company through which he would operate.
  - d. Income tax. Mr. Clarkson will review several situations with Nyle Willis and Art Tisdall will look at possibilities for the limited partners.
  - e. DEROA will begin to function in 1980 with \$50.00 dues being required on each sold and set aside units.
  - f. It was proposed that a management team be created which would include Dale Clarkson, Val Cram, Art Tisdall and David Larimer. Dale, Art and Val agreed to function on the management board. David Larimer will be contacted immediately.
  - g. Dale Clarkson was asked to investigate the possibility of a \$600,000.00 loan and long term financing for cabins built on the Ranch. He was also asked to advertise for private funds that might be borrowed for the development.
  - h. Mr. Clarkson will meet with the Kane County Attorney immediately to review restrictive covenants and see that these are properly prepared and recorded in Kane County.
  - i. Mr. Cram and Mr. Clarkson will prepare a water development program for the Ranch for presentation at the next management meeting.
  - j. We should soon acquire a farm tractor, a road grader, farm machinery such as a post hole digger and a front end loader and a herd of sheep to assist us next year.

There being no further business, the management team and their wives adjourned to the Chef's Palace for delicious steaks.

Respectfully submitted,

*Dale E. Clarkson*

Dale E. Clarkson